

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO**

**UNITED STATES OF AMERICA,**

Plaintiff,

v.

**COMMONWEALTH OF PUERTO RICO,**  
et al.,

Defendants.

CIVIL NO. 12-2039 (GAG)

**JOINT MOTION SUBMITTING THE COURT-APPROVED BUDGETS FOR THE  
MONITOR AND SPECIAL MASTER FOR FISCAL YEAR 2021-22**

COME NOW, Plaintiff, the United States of America, and Defendants, the Commonwealth of Puerto Rico and the Puerto Rico Police Bureau (collectively, “the Parties”), and respectfully submit the court-approved budgets for the Monitor<sup>1</sup> and Special Master for Fiscal Year 2021-22, in compliance with the Stipulated Orders governing the approval of their respective annual operating budgets. Stipulated Order, ECF No. 139 (June, 26, 2014); Joint Stipulation, ECF No. 1148 (Mar. 15, 2019). For cause, the Parties state and allege:

1. On June 26, 2014, the Court approved and endorsed a Stipulation for the Establishment of the TCA Office and the Payment of TCA Expenses (Stipulated Order), ECF No. 139 (June 26, 2014). The Stipulated Order was intended to “establish terms and conditions for the creation and administration of the TCA Office, promote transparency in the TCA’s operations and expenses, and ensure the sound administration of public funds.” *Id.* at 1. The

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<sup>1</sup> The terms “Monitor” and “Technical Compliance Advisor” or “TCA” are used interchangeably to refer to the person selected by the Parties and approved by the Court to assess and report on the implementation of the Agreement. *See* Agreement for the Sustainable Reform of the Puerto Rico Police Department (Agreement) ¶ 225, ECF No. 60 (July 17, 2013).

Stipulated Order requires, among other things, that the Monitor submit a proposed annual budget to the Parties “at least sixty (60) days prior to the conclusion of the budget year for approval.”

*Id.* ¶ 16. The Stipulated Order also requires that the Parties and Monitor engage in good-faith discussions to reach an agreed-upon budget, which “shall be filed with the Court through an informative motion before the start of each operating budget period.” *Id.* The fiscal years in Puerto Rico end on June 30 and commence on July 1.

2. After the Court appointed the Special Master *sua sponte* on December 4, 2018, the Parties entered into a Joint Stipulation Effectuating the Participation of the Special Master (Joint Stipulation), ECF No. 1148 (Mar. 15, 2019). The Joint Stipulation mirrors the budget process for the Monitor requiring that the Special Master submit a proposed annual budget for approval at least sixty days prior to the end of the budget year and that the Parties file the agreed-upon budget with the Court. *Jt. Stipulation* ¶ 28. The Court approved the Joint Stipulation on March 18, 2019. Order, ECF No. 1152 (Mar. 18, 2019).

3. In accordance with the Stipulated Order and Joint Stipulation, the Monitor and Special Master submitted their respective budget proposals to the Parties to cover professional fees and other operating costs for Fiscal Year 2021-22. Specifically, the Monitor submitted a memorandum and proposed budget to the Parties on April 8, 2021, totaling \$2,534,404. Memorandum from John Romero to Counsel, dated April 8, 2021, attached hereto as Exhibit A. In the cover memorandum, the Monitor stated, “The Monitor’s Office has prepared this budget considering the additional court-approved team members and expenses.” *Id.* at 2. The Special Master submitted a budget proposal to the Parties on March 31, 2021, totaling \$525,000.<sup>2</sup> The

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<sup>2</sup> The Special Master’s budget proposal included professional fees and travel expenses for the Special Master and two assistant special masters. The two assistant special masters are compensated at a rate of \$150 per hour.

Special Master submitted a revised proposal on April 15, 2021, after the Court approved *sua sponte* a monthly flat fee of \$15,000, for the Special Master. Order, ECF No. 1732 (Apr. 15, 2021). The flat-fee arrangement for the Special Master lowered his overall annual budget proposal to \$507,000. The Special Master's revised budget proposal is attached hereto as Exhibit B.

4. On May 5, 2021, the Court approved the annual budget amounts for the Monitor and Special Master. Order, ECF No. 1752 (May 5, 2021) (setting the annual budgets for the Monitor's Office at \$2,534,404, and for the Special Master's Office at \$507,000). The Court further instructed the Commonwealth to deposit the corresponding amounts with the Clerk of Court by June 30, 2021.<sup>3</sup> *Id.*

5. Although the Court approved the budget amounts proposed by the Monitor and Special Master on May 5, 2021, the itemized budgets themselves are not on the record. The Parties submit these documents, in compliance with the Stipulated Order and Joint Stipulation, to promote transparency, public accountability, and the sound administration of public funds. The Monitor and Special Master, who are supervised by the Court, bear primary responsibility for ensuring that their respective monthly invoices are reasonable and necessary to fulfill their obligations under the Agreement and related orders. The Parties will also continue to monitor the adequacy of the approved budgets through the review of monthly invoices and, if necessary,

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<sup>3</sup> On June 10, 2021, the Court issued an Order certifying a balance of \$764,903.63, in unspent funds from the Monitor's Fiscal Year 2019-20 budget. Order, ECF No. 1771 (June 10, 2021). Of this amount, the Court estimated that \$300,000, would be rolled over to cover unpaid invoices and close-out Fiscal Year 2020-21. The Court instructed the remaining \$464,903.63, to be rolled over and credited to the Monitor's Fiscal Year 2021-22 budget, reducing the amount the Commonwealth is required to deposit by June 30, 2021, to \$2,069,500.37. The deposit for the Special Master's Fiscal Year 2021-22 budget remained intact at \$507,000. *Id.*

raise objections to ensure compliance with the Agreement, pursuant to the Stipulated Order and the Joint Stipulation.

**WHEREFORE**, the Parties respectfully submit the budget proposals for the Monitor and the Special Master for Fiscal Year 2021-22, as approved by the Court, and request that the Court take notice of the same.

**WE HEREBY CERTIFY** that today we have electronically filed the foregoing document with the Clerk of the Court for the District of Puerto Rico using the CM/ECF system, which will send a copy and notification of filing to the Monitor, the Special Master, and all counsel of record.

**RESPECTFULLY SUBMITTED** this 30th day of June, 2021,

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AMERICA:

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